

CHAPTER II

METHODS AND PROCEDURES REVIEW

1. Introduction. The Department of Labor is responsible for reviewing operational procedures as a mechanism for ensuring the integrity of the SESA BAM program. Regional Office staff will conduct Methods and Procedures (M & P) reviews as a means of assessing a SESA's adherence to the required BAM methodology. Each SESA must be reviewed biennially. Regional Offices should conduct reviews in half of their SESAs each year.. During years in which SESAs are not reviewed, Regional office staff will base their annual assessment on findings of on-going monitoring and discussion with SESA staff.

A formal M & P review covers Written Procedures and BAM Forms. Any changes in Organization and Authority are to be noted on a continuing basis, dealt with by the Regional office when detected, and reported to the National Office in the earlier of either the semi-annual BAM reports or the M & P report.

A section of this chapter is devoted to each of the M & P areas. Each section presents the BAM Requirements from the applicable section of ET Handbook No. 395. Process describes in general terms the purpose of reviewing each area and the steps performed in conducting the review. Worksheet presents a facsimile of the form to be completed during the review. This is followed by Worksheet Instructions which explain how to answer the questions on the worksheets and draw a conclusion as to whether the SESA adheres to the BAM requirements.

The assessment of each M & P area will result in one of the following conclusions by the Region:

- The SESA adheres to BAM requirements.
- The SESA does not adhere to BAM requirements and the SESA agrees to correct the deficiency.
- The SESA does not adhere to BAM requirements and the SESA does not agree to correct the deficiency.

Whenever review findings show that the SESA adheres to BAM requirements in each M & P area, the review is complete for a given review period. No further review will be needed unless there is a SESA program or policy change which affects the facts supporting the earlier finding of adherence, e.g., reorganization.

Whenever the M & P review shows non-adherence in any one or more of the four areas, further attention of the Region is

required. Depending upon the SESA's response (e.g., agrees to take corrective action or disagrees with the review findings?, the Regional monitor will work with the State to achieve BAN corrective action or dispute resolution, as prescribed in Chapter VII.

Whenever corrective action has been completed, the monitor must again review each program area that was deficient to determine whether or not the SESA has corrected its deficiency(ies) and is in adherence to the M & P requirement (s).

If subsequent review of areas) of non-adherence reveals that a SESA still has not taken corrective action earlier agreed to, the Regional office will necessarily find the SESA in noncompliance on this (these) requirement(s).

2. Review Schedule and Reporting. Methods and Procedures reviews will be conducted biennially for each State agency during the first three months of a calendar year. Regions should schedule half of their States each year. Findings (conclusions) will be reported by the Regions to the National office following each review, using the four worksheets presented in this chapter. The biennial M & P reports are due in the National Office on or before the sixth working day of April. Appropriate documentation supportive of the review findings should accompany each worksheet. (Copies of the M & P worksheets are included in Appendix B.)

Specific BAM program documents generated by the SESA must be submitted to the National Office, on a one-time basis, whenever they are completed by the SESA and approved by the Regional Office. These documents, described later in this, chapter, are:

- the SESA's BAM Operations Manual
- the BAM Claimant Questionnaire, and
- required standard BAM forms used in SESA case investigations.

It will be sufficient for the Regional offices to submit the required documents for each SESA once, rather than biennially, to the National Office provided that:

- a. each document has been reviewed and approved by the Region during M & P review;
- b. each document has been approved by the National office; and
- c. in subsequent biennial reviews, the Regional office sends to the National Office the required M & P review

worksheets affirming that the previously approved documents remain substantially unchanged. Regardless of whether or not substantive changes have been made by the SESA, review worksheets must be completed during each review to substantiate the review for the National Office.

Whenever substantive changes are made, they must be reviewed by the Regional Office. If approved, appropriate sections or pages affected by changes must then be submitted to the National office for review.

The findings of the biennial M & P review of each SESA will be incorporated in the annual determination of the SESA's administration of BAM, as detailed in Chapter VII. During non-review years, Regions, through their on-going monitoring, should gather enough information to be able to certify in the annual determination that a SESA does or does not adhere to the M & P requirements.

3. Organization

a. BAM Requirements. Each BAM unit is to be organizationally independent of, and not accountable to, any unit performing functions subject to evaluation by this BAM unit. The organizational location of the BAM unit must be such as to maintain its objectivity, to facilitate its access, to information necessary to carry out its responsibilities, and to minimize organizational conflict of interest.

b. Process. The purpose of reviewing organizational independence is to establish that the HAM unit has adequate access to information to conduct a complete and timely investigation and is able to find and report on what is found without fear of censure.

The steps in the review process include:

(1) Examining documents and discussing the organizational position with SESA staff.

(2) Determining whether the nature of the reporting relationship for the BAM supervisor makes unlikely the potential for an undue conflict of interest.

(3) Determining whether the BAM staff is subject to the State Merit System.

(4) Determining whether the BAM unit has access to information necessary to conduct case investigation.

c. Worksheet. Facsimile of worksheet for Organization.

WORKSHEET QC-1

ORGANIZATION

State _____ Date _____ Reviewer _____

I. Questions.

1. Does the QC supervisor (QCS) report to _____ Yes
one of the following? _____ No
- a. A person who has no line responsibility for any function audited by QC.
- b. The head or deputy head of the SESA.
- a. The head or deputy head of UI, or equivalent, who has staff or line management responsibility for other functions and activities in addition to benefits.

Name, title of QCS's superior: _____

2. Are the QC supervisor and investigators, _____ Yes
covered by the State Merit System? _____ No
3. Does the QC unit have access (by policies and procedures) to the records and data bases _____ Yes
necessary to carry out its functions? _____ No

II. Conclusion.

- _____ SESA adheres to requirements.
- _____ SESA does not adhere to QC requirements - agrees to correct.
- _____ SESA does not adhere to QC requirements - does not agree to correct.

III . Explanation.
